



RIDER F – EQUIPMENT MAINTENANCE

1. General

- (a) The purpose of this Rider is to prescribe the responsibilities of Contractor for maintenance of the equipment and the operating software provided under this Agreement.
- (b) Equipment and Operating Software shall be maintained in good operating condition. In determining “good operating condition”, CalPERS will evaluate performance of the equipment in accordance with the equipment manufacturer’s published specifications, Contractor’s published specifications, and mutually agreed upon Service Level Agreements. All maintenance service, including both parts and labor, shall be furnished at the maintenance rates specified in Riders B and C.
- (c) Warranty provisions are specified in Section 63 of the General Terms and Conditions.

2. Termination

- (a) For equipment, CalPERS may terminate this Rider upon one month’s written notice.
- (b) CalPERS may withdraw any equipment from this Rider F at any time by giving one month’s prior written notice.

3. Exclusions

Maintenance service does not include:

- (a) Electrical work external to the equipment or maintenance of accessories, alterations, attachments, or other devices not listed in Rider B.
- (b) Repair of damage or increase in service time caused by: accident, disaster, which shall include; but not be limited to; fire, flood, water, wind and lightning, transportation, neglect or misuse, alterations, which shall include; but not be limited to; any deviation from Contractor’s physical, mechanical, or electrical equipment design; attachments, which are defined as the mechanical, electrical or electronic interconnection to a Contractor equipment of non-Contractor equipment and devices not supplied by Contractor.
- (c) Repair of damage or increase in service time resulting from failure to provide a suitable installation environment with all facilities prescribed by the appropriate Contractor Installation Manual-Physical Planning (including, but not limited to,



failure of, or failure to provide adequate electrical power, air conditioning or humidity control).

- (d) Repair of damage or increase in service time attributable to the use of the equipment for other than data processing purposes for which it was acquired.
- (e) Furnishing platens, supplies or accessories; furnishing supplies; painting or refinishing the equipment or furnishing the equipment or furnishing material therefore; inspecting equipment altered by other than Contractor; making specification changes or performing services connected with the relocation of equipment; or adding or removing attachments or other devices.
- (f) Such service which is impractical for Contractor to render because of alterations in the equipment or their connection by mechanical or electrical means to another equipment or device.
- (g) Repair of damage, replacement of parts (due to other than normal wear) or repetitive service calls caused by the use of supplies or materials not meeting Contractor's specifications for such supplies or materials, provided said Contractor's specifications have been furnished to CalPERS.
- (h) Repair of damage or increase in service time caused by conversion from one Contractor model to another or the installation or removal of a Contractor feature whenever any of the foregoing was performed by other than Contractor unless expressly allowed elsewhere in this Agreement.
- (i) Replacement parts or increases in service time as set forth in the sections covering access to equipment (Paragraph 5.b, Rider F).
- (j) Repair or maintenance by Contractor that is required to restore such equipment to proper operating condition after any person other than Contractor's employee unless expressly allowed elsewhere in this Agreement had performed maintenance or otherwise repaired an item of equipment. An additional charge for such repair or maintenance shall be at Contractor's applicable time and material rates and terms then in effect.

4. Responsibilities of Contractor

- (a) Contractor shall provide labor, parts, materials, and transportation to maintain the system in compliance with the equipment manufacturer's specifications during the term of the Agreement.
- (b) Maintenance shall be available from Contractor seven (7) days a week, twenty-four (24) hours a day.



- (c) Contractor agrees to provide maintenance coverage during periods selected by CalPERS. This maintenance service includes:
- (1) Scheduled preventive maintenance based upon the specific needs of the individual equipment as determined by Contractor. However, preventive maintenance shall be in accordance with the provisions specified in paragraph 4.d of Rider F.
 - (2) Remedial maintenance. Such maintenance will include adjustments and replacement of maintenance parts deemed necessary by Contractor.
- (d) Contractor shall specify in writing the frequency and duration of preventive maintenance for the equipment in Rider B to keep the equipment in good business order. Preventive maintenance shall be performed on a schedule which is mutually acceptable to CalPERS and Contractor, which is consistent with CalPERS operating requirements, and which is based upon the specific needs of the equipment as determined by Contractor or the equipment provider.
- (e) Remedial maintenance for all equipment, except for remedial maintenance issues identified as Major, (as defined in Paragraph 5 below) shall commence promptly after notification by an authorized representative that equipment is inoperative. Contractor shall always be responsive to the maintenance requirements of this Agreement. Contractor's maintenance personnel will arrive at the installation site as described in this Rider F, Section 7.c.5 after notification by CalPERS that remedial maintenance is required. For this purpose, Contractor shall have full and free access to the equipment.
- (f) When Contractor maintenance service personnel respond to a remedial maintenance call and the equipment malfunction has not been diagnosed and repair begun within two (2) hours from the time of arrival of Contractor maintenance service personnel, Contractor will initiate 2nd Level Technical Support. In the event that four (4) additional hours elapse from the time of response of the 2nd Level Technical Support and the equipment's malfunction has not been diagnosed and repair begun, Contractor will initiate 3rd Level Technical Support. In any event, Contractor will assign one or more levels of support for analysis and repair of the problem until the equipment has been returned to operating condition.
- 2nd Level Technical Support - A technical specialist with unique training and/or experience who specializes in providing diagnostic assistance and/or repair expertise when a service call is particularly difficult.
 - 3rd Level Technical Support - A technical specialist whose geographic responsibilities normally include multiple Field Engineering Branch Offices and who has received in-depth specialized training and experience and possesses extensive diagnostic ability specifically designed to assist on unusually complex problems.
- (g) In the event the malfunctioning component has a purchase price as specified in Rider B of less than \$20,000.00, and repair has not been completed within six (6)



hours from the time of arrival of Contractor maintenance service personnel, Contractor shall restore service immediately by utilizing replacement equipment. The replacement equipment is to remain in place and operational until the malfunctioning component has been repaired and can be returned to service at a time mutually agreeable to CalPERS and Contractor. Contractor shall provide written notification of this temporary replacement including model and serial numbers of the equipment being replaced and the temporary equipment being installed.

- (h) Equipment which fails to function, in the manner for which they were designed and contracted for, such that CalPERS programs are adversely affected, for three (3) or more times in any sixty (60) day period, shall be replaced by Contractor at CalPERS request. Before requesting replacement, CalPERS will attempt to satisfactorily resolve the problem with Contractor. CalPERS will be the sole judge as to the adverse impact upon CalPERS programs of non-functioning equipment requested for replacement; however, CalPERS shall not act in an arbitrary or capricious manner. Contractor must provide CalPERS with written confirmation of all permanently replaced equipment including model and serial numbers of the equipment being replaced and equipment being installed.
- (i) Maintenance parts will be furnished by Contractor and will be new when used in this equipment. Replaced maintenance parts become the property of Contractor.
- (j) Maintenance logs will be maintained by Contractor and furnished to CalPERS within two (2) hours of request.

5. Responsibilities of Contractor for Critical Equipment

- (a) If remedial maintenance is required where there is critical impact to CalPERS business operations (Major), Contractor will respond on site within one (1) hour of notification for CalPERS Headquarters and within two (2) hours of notification for Regional Offices during the Principal Period of Maintenance (PPM). Major remedial maintenance issue is defined as the failure of a mission critical hardware system or subsystem that adversely affects service levels or causes initiation of contingency plans.

6. Responsibilities of CalPERS

- (a) Unless mutually agreed on by Contractor and CalPERS, CalPERS personnel will not perform maintenance or attempt repairs to equipment identified in Rider B which has not been withdrawn pursuant to Rider F, Section 2.b. Termination.
- (b) Subject to CalPERS security regulations, Contractor shall have full and free access to the equipment identified in Rider B to provide service thereon. If persons other than Contractor representatives, unless expressly allowed elsewhere in this Agreement, have performed maintenance or repairs on the equipment, and as a result further repair by Contractor is required, such further repairs will be made at Contractor's then applicable time and material rates.



- (c) CalPERS shall provide an appropriate operating environment, including temperature, humidity, and electrical power, in accordance with the environmental requirements contained in the equipment manufacturer's published specifications, in addition to Contractor's published specifications, if any, for the equipment listed on Rider B.

7. Maintenance Coverage

(a) Principal Period of Maintenance:

- (1) CalPERS may select a period or periods of maintenance coverage in accordance with the following:
 - (i) A minimum monthly maintenance charge entitles CalPERS to maintenance coverage during the Principal Period of Maintenance (PPM), normally between the twelve (12) consecutive hours of 7:00 a.m. to 7:00 p.m. Pacific Time.
 - (ii) CalPERS may select in lieu of the hours available for the minimum monthly maintenance charge, one or more of the optional periods of maintenance coverage for an additional charge as shown in Attachment to Riders B and C. The additional charge is based on a percent of the minimum monthly maintenance charge, depending on the optional periods selected.
- (2) The hours of PPM coverage for items listed on Rider B shall be the same each day on Monday through Sunday.
- (3) CalPERS may change its selected period of maintenance coverage by giving Contractor thirty (30) days prior written notice.
- (4) If CalPERS requests unscheduled, on-call remedial equipment maintenance to be performed at a time which is outside the selected periods of PPM maintenance coverage, the service will be furnished at the applicable per-call rate per man-hour as set forth in Attachment to Riders B and C.
- (5) CalPERS will not pay travel expenses for remedial maintenance.
- (6) The time required for Contractor to respond to a call for remedial maintenance is known as Response Time. This time is defined as the time interval between the time a trouble call is made and the time maintenance service personnel arrive at the site of the problem, exclusive of that time during which Contractor is denied access to the equipment. The maximum response time will be two (2) hours for CalPERS Headquarters. The maximum response time will be four (4) hours for all Regional Offices. Regional Offices are located at the following:



Sacramento Regional Office
Lincoln Plaza East
400 Q Street, Room E1820
P.O. Box 942710
Sacramento, CA 95833

San Francisco Regional Office
301 Howard Street, Suite 2020
San Francisco, CA 94105

Glendale Regional Office
Glendale Plaza
655 North Central Avenue, Suite 1400
Glendale, CA 91203

San Bernardino Regional Office
650 East Hospitality Lane, Suite 330
San Bernardino, CA 92408

San Diego Regional Office
7676 Hazard Center Drive, Suite 350
San Diego, CA 92108

Mountain View Regional Office
650 Castro Street, Suite 240
Mountain View, CA 94041

Orange Regional Office
500 North State College Blvd., Suite 750
Orange, CA 92868

Fresno County Regional Office
10 River Park Place East, Suite 230
Fresno, CA 93720

- (7) If remedial maintenance is required during the PPM, the Contractor will adhere to the response time as specified in Paragraphs 4.f, 5, and 7.c.5.

(b) Scheduled Preventive Maintenance

Preventive maintenance will be performed at times mutually agreed upon outside of the Principal Period of Maintenance unless specifically authorized, in advance, by CalPERS. No additional charge shall be made for preventive maintenance.



(c) Unscheduled Remedial Maintenance

- (1) Remedial maintenance shall be performed after notification by Authorized Personnel as defined, in writing, by CalPERS that the equipment is malfunctioning.
- (2) Contractor shall coordinate with the Authorized Personnel as the designated point of contact and will make arrangements to enable its maintenance representative to receive such notification.
- (3) There shall be no additional maintenance charges for:
 - (a) Remedial maintenance during the PPM coverage unless the remedial maintenance is due to the fault or negligence of CalPERS.
 - (b) Time spent by maintenance personnel after arrival at the site awaiting the arrival of additional maintenance personnel and/or delivery of parts, etc., after a service call has commenced.
 - (c) Remedial maintenance required because the scheduled preventive maintenance preceding the malfunction had not been performed, unless CalPERS had failed to provide access to the equipment.
 - (d) Remedial maintenance for a malfunction which occurred and was serviced within the previous 48 hours.
 - (e) Remedial maintenance for a malfunction which occurred and was serviced yet had not successfully completed two production cycles since remedial maintenance was performed.
- (4) When remedial maintenance is required to be performed outside the PPM on equipment, an additional charge for travel is allowed. The travel charge shall be based on the actual travel mileage from Contractor's nearest service location. The travel mileage shall be calculated at the rate normally paid State employees traveling on State business plus any tolls.
- (5) If remedial maintenance is required at any time other than during the PPM, the response time will be no more than one (1) hour beyond the time allotted in Paragraphs 4.f and 5.
- (6) Contractor will be allowed to charge on an hourly basis for remedial maintenance outside the PPM, however, only to the extent as bid and included in the Attachment to Rider B.

8. Maintenance Credit for Malfunctioning Equipment

- (a) Contractor shall grant a pro rata maintenance credit on equipment shown in Rider B when the equipment is malfunctioning for consecutive scheduled work periods



totaling 24 hours from the time CalPERS notifies Contractor the equipment was inoperative, provided (1) the equipment became inoperative through no fault of CalPERS, and (2) the breakdown was attributable to equipment failure.

- (b) Contractor shall grant a credit to CalPERS for each such hour in the amount of 1/20th of the total monthly maintenance charges for the inoperative equipment plus 1/20th of the total monthly maintenance charges for any Contractor-supplied interconnected equipment which became unusable as a result of a breakdown.

9. Engineering Changes

- (a) Engineering changes, determined applicable by Contractor, will be controlled and installed by Contractor on equipment covered by this Agreement. Prior to installing any engineering changes on production equipment Contractor shall demonstrate that the change works on the Test System. CalPERS must approve the application of the engineering change in writing before Contractor installs any engineering changes on production equipment. CalPERS may elect to have only mandatory changes, as determined by Contractor, installed on equipment so designated. There shall be no charge for engineering changes made. Any Contractor-initiated change shall be installed at a time to minimize inconvenience and disruption mutually agreeable to CalPERS and Contractor. Contractor reserves the right to charge, at its then current time and material rates, for additional service time and materials required due to non-installation of applicable engineering changes after Contractor has made a reasonable effort to secure time to install such changes.
- (b) When there is a difference between when the component to be modified is scheduled (by mutual agreement) to be returned to service and the time that the component is actually returned to service, Contractor shall grant a credit to CalPERS for each hour the component was not usable starting with the first hour after the component was scheduled to be returned to active service. For each hour such credit shall be in the amount of 1/20th of the basic monthly maintenance for each Contractor-furnished component which is inoperative as a result of the modification. The number of inoperative hours shall be rounded to the nearest whole or half hour.

10. Relocation of Equipment

- (a) In the event the equipment being maintained under the terms and conditions of this Agreement is moved to another location within the State of California, Contractor shall continue to maintain the equipment at the new location.
- (b) CalPERS agrees to pay all costs necessary and incidental to any move, including charges of Contractor to dismantle and pack the equipment, crating, rigging, transportation, unpacking, uncrating, insurance, State and local sales tax, if any, and installation at the new location, at the rates set forth in Attachment to Riders B and C.



11. Maintenance Charges

- (a) The monthly maintenance charges described in Rider B include all maintenance costs, and CalPERS will pay no additional maintenance charges unless specifically set forth in this Rider F or Attachments to Riders B and C. Contractor shall render invoices for total monthly maintenance charges in the month following the month for which the charges accrue. Maintenance charges will commence and be eligible for invoice upon satisfactorily meeting the Service Level Agreement each month after CalPERS full user acceptance of the system.
- (b) Maintenance charges for fractions of a calendar month shall be computed at the rate of 1/30 of the applicable Total Monthly Maintenance Charge, as shown in Rider B, for each day maintenance was provided.
- (c) CalPERS agrees to pay, at Contractor's applicable rates shown in Attachment to Riders B and C, all charges for remedial maintenance performed outside of the PPM and other service activities not included in the basic maintenance charge, or to pay for loss of or damage to the equipment, caused by 1) use of the equipment for other than its intended purposes, or 2) alterations and attachments. Contractor agrees that Contractor will list in Rider J all consumable items used by devices listed in Rider B.
- (d) All maintenance and other service activities (including but not limited to activities relating to pre-installation planning, inspections, relocation of equipment, engineering changes and altered programming) which may be made available by Contractor to CalPERS at no additional charge or at Contractor's then applicable time and material charges, in connection with any equipment or programming supplied under this Agreement, shall be subject to the terms and conditions of this Agreement unless such activities are provided under another written agreement signed by CalPERS and Contractor.
- (e) Maintenance rates shall be firm for the Agreement period subject to a maximum annual maintenance escalation rate as set forth in Riders B and C.

Insert Cost Table VII.7 – Ongoing Hardware Cost in this location. All cost columns must contain "XXX" in place of the actual costs.